

## OFFICIAL BID PRICE SHEET

**Do not amend or alter any item(s) on the Official Bid Price Sheet**

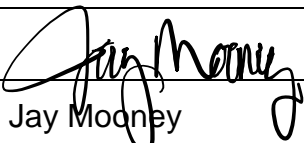
All activities associated with completing the home study which includes, but not limited to, interviews, home visits, contact with collateral witnesses/referenced, court appearances, paper work, travel, etc. must be included in the rate.

SERVICE	PROPOSED DAILY RATE
Specialized Private License Placement Agency	\$ 66.42

\* Best and Final Offer - See attached sheet regarding all activities and costs associated with our revised daily rate of \$66.42.

### **AUTHORIZATION SIGNATURE**

By my signature below, I certify that the aforementioned statements are true and correct and that I accept the Terms and Conditions as presented in this bid, and that I am authorized by the respondent to submit this bid on his/her behalf.

Vendor Name: COMPACT Family Services	Date: 4/14/2020
Signature: 	Title: Executive Director
Printed Name: Jay Mooney	

### Adjusted Official Bid Price Sheet justification:

COMPACT's revised **Best and Final Offer** amount is **\$66.42**. The following rationale was used in determining the revised bid rate.

Our original bid price of \$75.65 was primarily informed by the utilization of two articles addressing estimated costs of caring for a foster child.

1. Hitting the M.A.R.C., Establishing Foster Care Minimum Adequate Rates for Children; [https://www.childrensrights.org/wp-content/uploads/2008/06/hitting\\_the\\_marc\\_summary\\_october\\_2007.pdf](https://www.childrensrights.org/wp-content/uploads/2008/06/hitting_the_marc_summary_october_2007.pdf); developed by Children's Rights in collaboration with the Ruth H. Young Center (RYC) for Families and Children at the University of Maryland School of Social Work and the National Foster Parent Association (NFPA); October 2007.

This article describes the process of calculating what could be considered the minimum adequate rate for caring for a child in foster care per each state. The article identifies various expenses that would be incurred by a foster family for each child they serve. The expenses were lumped into eight categories: food; clothing; shelter; daily supervision; school supplies; personal incidentals; insurance; and travel for visitation with a child's biological family. The calculations were established by "analyzing consumer expenditure data reflecting the cost of caring for a child; identifying and accounting for additional cost particular to children in foster care; and applying a geographic cost-of-living adjustment, in order to develop specific rates for each of the 50 states and the District of Columbia." The estimated rates are more refined than the rate of raising a child according to the U.S. Department of Agriculture (USDA).

The second article looks at how inflation would impact the rates developed in the first article.

2. Estimating Minimum Adequate Foster Care Costs for Children in the United States; [https://www.researchgate.net/publication/322183927\\_Estimating\\_minimum\\_adequate\\_foster\\_care\\_costs\\_for\\_children\\_in\\_the\\_United\\_States](https://www.researchgate.net/publication/322183927_Estimating_minimum_adequate_foster_care_costs_for_children_in_the_United_States); by Haksoon Ahn, Diane Depanfilis, Kevin Frick, and Richard P Barth; updated 14 February 2018 by Haksoon Ahn.

This second article updates the recommended "minimum adequate rates for children" (MARC) in accordance with cost of living adjustments up to the year 2016.

COMPACT had taken the 2016 proposed MARC costs for the categories of food, shelter, daily supervision, school supplies, and personal incidental for the year 2016 and increased them by the percent of inflation (7.5%) over the last three years to reach our original posted pay rate for the Specialized PLPA foster families. We excluded the cost for clothing, since vouchers will be made available by DCFS throughout the year and had removed the insurance and travel categories since they are so variable. The associated costs per year for a 16-year-old, as stated in our original proposed rate, was as follows:

- Food – \$3,027.20

- Shelter - \$2816.50
- School supplies – \$153.73
- Daily supervision - \$805.18
- Incidentals - \$2585.38
  
- Total Annual Rate per teenager - \$9,387.99
- Total Daily Rate per teenager - \$25.72

On April 13, 2020, DHS Office of Procurement requested that COMPACT submit a **Best and Final Offer** by 12:00pm April 14, 2020. After careful consideration of the above MARC factors, COMPACT believes the following adjustments can be made:

- Food - Decrease food costs by 20% from \$3,027.20 annually to \$2,421.76 annually. COMPACT will be prepared to provide, as supply will allow, foster families with a supply of meat (beef, pork, and/or chicken), vegetables, and/or can goods to help overcome any deficits in food needs they may have.
- Shelter - Decrease shelter by 10% from \$2,816.50 annually to \$2,534.85 annually.
- School Supplies - Keep the school supplies expense the same at \$153.73 annually. We don't believe we can afford to decrease this item.
- Daily Supervision - Keep the daily supervision expense the same at \$805.18 annually. We don't believe we can afford to decrease this item.
- Incidentals - Decrease incidentals by 10% from \$2,585.38 annually to \$2,326.84 annually.

Therefore, by making these adjustments, COMPACT can reduce the Total Annual Rate per Teenager to **\$8,242.36**, which in turn will reduce the Total Daily Rate per Teenager to **\$22.58**.

COMPACT Foster Care has been actively engaged in recruiting, training, and supporting foster families in Arkansas since July 2017. This invaluable agency experience has given us the data needed to estimate the specific expenditures and costs associated with foster care activities specifically targeting foster parents willing to take teenaged children and sibling groups of 3 or more. These agency costs are significantly higher than those associated with recruiting other foster families for the following reasons:

1. Recruiting. In calendar year 2019, COMPACT held 26 recruiting events with a cumulative reach of over 20,000 individuals. The net result of those recruiting events was 15 open foster homes. Of those opened foster homes, only 3 were willing and/or able to take teenaged placements and/or sibling groups of 3 or more. Therefore, recruiting foster homes who can take this population would require 500% more recruiting efforts than recruiting other foster homes.
2. Training. Families willing to take children stepping down from a QRTP placement, and families willing to take teenagers would likely need more training to be successful.

Specifically, they would need more trauma-informed training beyond the standard pre-service training given to other families.

3. Support. Calls for support from COMPACT foster families to COMPACT Family Consultants (case workers) are increased when the placements are those of teens or sibling groups. In a January 2020, families with large sibling groups required telephone support, in-person assistance and communication at a rate of 6 times that of families with only one or two younger children.
4. Respite. COMPACT must recruit and support an adequate number of respite homes to serve the population of foster families who will take teens and large sibling groups. Most respite homes cannot take a large sibling group, so each foster family with a large sibling group will require the recruitment and training of multiple respite homes in order to accommodate their respite requests.

Under COMPACT's current PLPA contract, the agency receives \$29.70 for its administrative costs. COMPACT is proposing a 45% increase for the daily rate to recruit, train, and support foster families specifically to take teens and large sibling groups.

Therefore, the remaining **\$43.84** of the revised proposed bid amount of **\$66.42**, will be used to accomplish the objectives outlined above.